

Minutes of Directors' Meeting held 6th. January 1950.

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Present; Messrs. F. Harman, L. Smith, D. Salting and J. S. Dicken with the Secretary in attendance.

The minutes of the meeting held 6th. December 1949 were read, and adopted on motion of J. S. Dicken seconded by L. Smith.

Accounts totalling \$4608.86 were inspected and passed for payment on motion of L. Smith seconded by D. Salting.

The Payroll for period 5th. to 31st. December was inspected and approved.

Correspondence was read between our Auditors and the Income Tax Dept from which it appears that the Dept. now agrees that we have been and are operating on a non-profit basis, and that they had also dropped the question of charging depreciation on our Cold Storage Subsidy and Surplus Capital against operating costs. They still maintained that the interest on our capital deductions represented by the out-standing share certificates could not be charged as an operating cost and intimated that they proposed to raise an assessment against the Exchange on this item for 1947 and 1948. It was suggested that our position be put before Mr. O. L. Jones, our member at Ottawa, and also Mr. A. Laing, member for South Vancouver, and this was agreed to if approved by the Auditors. Now that the Income Tax Dept. had agreed that we were operating on a non-profit basis the necessity of amending our Memorandum was again discussed and it was decided that this point should also be put before the Auditors who had made the original recommendation. The Auditor had also recommended that an Extraordinary Resolution be put through by the Exchange providing that interest at the rate of five per cent be paid hereafter on all Working Capital Shares and Certificates. It was thought that possibly this action might not make the position secure and it was suggested that if it was possible to call in all the Shares and issue certificates of indebtedness for them the matter would be definitely settled and it was decided to explore this angle.

The date of the Quarterly General Meeting was fixed for Friday 10th. February.

In line with the suggestion made by Mr. Kinnard, of Associated Growers, it was moved by J. S. Dicken and seconded by L. Smith that our plant and equipment be re-valued by Messrs. General Appraisal Co.

CARRIED.

The meeting thereupon adjourned.

F. Harman  
President.

Q. V. Evans  
Secretary.



Minutes of Directors' Meeting held 6th. February 1950.

Present; Messrs. F. Harman, L. Smith, D. Salting, S. McPhee and J. S. Dicken with the Secretary in attendance.

The minutes of the meeting held 6th. January were read and adopted on motion of S. McPhee seconded by J. S. Dicken.

Arising out of the minutes, with reference to our Income Tax position, Mr. J. Aikins, of Boyle, Aikins & Emerson, had been interviewed by the President and Manager, for his opinion as to the feasibility of calling in all our shares and issuing Certificates of Indebtedness to replace them. Owing to pressure of other business Mr. Aikins had not yet been able to give a definite opinion on this question.

It was moved by L. Smith and seconded by D. Salting, ~~xxxxx~~ the Board recommend to the members at the coming Quarterly Meeting that owing to Income Tax requirements it might not be advisable to pay interest on the outstanding shares issued for Capital Deductions but if holders of these securities wish they would be exchanged for 5% bearing Certificates of Indebtedness.

CARRIED.

D. Salting moved and S. McPhee seconded that our Memorandum of Association be amended to show that we are operating on a non-profit basis.

CARRIED.

Accounts totalling \$3943.01 were inspected and passed for payment on motion of D. Salting, seconded by J. S. Dicken.

Payroll for period 2nd. to 28th. January was inspected and approved.

It was moved by S. McPhee and seconded by J. S. Dicken that the application for membership in the Exchange of W. B. McFarlane, on taking over the Kennedy orchard be accepted.

CARRIED.

The Manager reported that the B.C. Organic Fertilizers Ltd. had asked whether the Exchange would be prepared to finance the members on compost orders and it was decided that these should be treated in the same way as manure and collection made from the first returns.

It was decided that the Quarterly General Meeting be now held on 24th. February 1950.

Circular letter was read from Associated Growers advising that B.C. Co-Operative Union had decided that it would be impossible for them to make any different rate of fees for our Locals, unless it were the decision of the membership, and that the decision as to whether they become members of the B.C. Co-Operative Union be left for each individual Local to deal with.

The Manager mentioned that the Annual Convention of the this Union was being held in Penticton on 16th., 17th. and 18th. February and that an invitation had been received for officials of Co-Ops. to attend whether members or not.

The meeting thereupon adjourned.

F. Harman  
President.

A. H. Evans  
Secretary.



Minutes of Quarterly General Meeting held 24th. February 1950.

The meeting was called to order by the President, F. Harman with thirty two members present.

The notice convening the meeting was read by the Secretary.

The minutes of the Quarterly meeting held 18th. November 1949 were read and adopted on motion of E. Sammet seconded by F. C. Baker.

The President in his report referred to the severe weather we had experienced during the past few months, probably making it one of the worst winters on record. In the twenty three days from 13th. January to 4th. February, the temperature was below zero on eighteen nights, with a low of 14 below being recorded both on the 2nd. and 3rd. February. It is too early yet to attempt to assess with any degree of accuracy the effect of these low temperatures on the soft fruit crop but undoubtedly appreciable damage has been caused. With the low temperatures the Lake froze over, stopping barge service and since 23rd. ~~February~~ January, when the last barge was in at Naramata, we have had to truck our apples to Penticton to get them loaded. Movement of apples during December and January was extremely slow but during February, mainly due to the large export movement to the United Kingdom, the movement has been very heavy and since 7th. February, when the railway lines to the Coast were re-opened after being closed for over a week by slides, we have moved twenty six cars and in addition have shipped seven truck loads of about 500 boxes each over the Hope-Princeton Road to Vancouver Wholesalers. At the moment we are packing the 20,000 Romes we have held loose, with all the C grade and the small sizes in E.F. and F. booked for export to the U.K. After the export movement has been completed, which we expect to do by about 1st. March, our stock will be down to about forty thousand boxes, mainly Winesap, Newtown and Romes. As you all know, apple payments so far are sharply reduced in comparison with other years. The position at the moment is that we have received an average of 77c. per box from B.C. Tree Fruits Ltd - this time last year we had received \$1.50 per box. Out of this 77c. per box, we have advanced at the rate of 50c. for E.F., 40c. for F. and 30c. for C Grade.

For some months now we, and our Auditors, have been in correspondence with the Income Tax Dept. who have been endeavouring to establish our tax position in the light of amendments made to the Income Tax Act in 1947 as affecting co-operatives. The Dept. maintains that interest paid on our shares, as distinguished from our Certificates of Indebtedness - cannot be charged against operating costs and state that they propose to raise an assessment against us for the years 1947 and 1948. There are still two issues of these shares out-standing - Series T amounting to \$17499, due for redemption this June and Series U amounting to \$22113, due for redemption in June 1951. Under the present ruling of the Income Tax Dept - which your Board recommends should not be accepted as final - if the the usual five per cent interest is paid on these out-standing shares at the end of the Fiscal Year ending 31st. March 1950 and again in 1951, there is the possibility that income tax will be charged on these payments. We are taking legal advice on this matter and the position now is that our Auditors are to interview the Income Tax Dept. in an endeavour to get the Dept. to modify their attitude regarding the interest on the shares. Until the situation is more clarified, the Board cannot make any definite recommendation. The alternatives appear to be as follows;

1. Pay the usual interest on the shares, in the hope that no Income Tax will eventually be assessed against the payment.
2. Pay no dividend on Series T & U shares.
3. Redeem these two issues before 31st. March 1950 with the request that the holders agree to re-purchase a like amount of Certificate of Indebtedness.

It is suggested that to provide for possible contingencies that this meeting authorize the Board to redeem Series T & U shares, before 31st. March 1950, if this is found to be possible and expedient.

It was moved by C. T. Rayner and seconded by E. Sammet that Series T & U shares be redeemed before 31st. March 1950 if the Board finds that this is possible and expedient.  
CARRIED.

W. Steel moved and J. D. Tillar seconded that the President's report be accepted.  
CARRIED.

D. Salting, Director on the board of Grand Forks Sawmill Ltd. gave a report on the activities of this firm mentioning that a discount of five per cent was being given to the Packing Houses on shook purchases during 1949. In addition to this Grand Forks had not put into effect certain increases in shook prices which the Valley firms had done.

It was moved by W. June and seconded by F. C. Baker that the report of the Director on Grand Forks Sawmill Ltd. be accepted.  
CARRIED.



The question as to who was to bear the cost of trucking the apples to Penticton for loading, due to the freezing of the Lake was generally discussed. Many of the members expressed the opinion that this should not fall entirely on this Local and it was eventually moved by E. Sammet and seconded by L. V. Francis that B.C. Tree Fruits Ltd. be approached asking them to give consideration to the suggestion that this extraordinary cost be absorbed by the pool.

CARRIED.

J. D. Tillar enquired as to whether the Hail Insurance Scheme would be in operation for the 1950 season. E. Nettleton, member of the Hail Insurance Committee, stated that it was fully expected that it would be and gave the meeting the latest information he had on this matter.

On motion of D. Salting seconded by T. Dickout, the meeting adjourned.

President.



Minutes of Directors' Meeting held 6th. March 1950.

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Present; Messrs. F. Harman, L. Smith and J. S. Dicken with the Secretary in attendance.

The minutes of the meeting held 6th. February were read and adopted on motion of L. Smith seconded by J. S. Dicken.

Accounts totalling \$3676.80 were inspected and passed for payment on motion of J. S. Dicken seconded by L. Smith.

The payroll for period 30th. January to 25th. February was inspected and approved.

It was moved by L. Smith and seconded by J. S. Dicken that the transfer of the following certificates be approved;

Cert. No. 173	for	\$17.00	from	W. Orr	to	D. "alting.
"	295	for	\$82.00	ditto		

Carried.

J. S. Dicken moved and L. Smith seconded that Series T and U shares be redeemed immediately.

Carried.

It was moved by L. Smith and seconded by J. S. Dicken that a loan of Forty thousand dollars be arranged for the purpose of obtaining Operating Capital and that Certificates of Indebtedness be issued to cover same, bearing interest at the rate of Five per cent per annum, payable on the first day of April each year, and the principal to be repaid at such time as the Board may determine.

Carried.

The question of depreciation to be taken for the year ending 31st. March 1950 was discussed but it was decided not to make any decision until after the Auditors had been consulted. J. S. Dicken mentioned that the Income Tax Department was now requiring that the depreciation be based on the diminishing balance method.

With reference to the resolution passed by the members at the recent Quarterly Meeting regarding the extraordinary cost of hauling apples to Penticton for loading due to the freezing over the Lake, it was decided that this resolution be forwarded to B.C. Tree Fruits Ltd. asking them to consider having these costs absorbed by the Pool.

The meeting thereupon adjourned.

F Harman  
President.

Q H. Grant  
Secretary.



Minutes of Directors' Meeting held 17th. April 1950.

Present; Messrs F. Harman, L. Smith, D. Salting, S. McPhee and J. S. Dicken, with the Secretary in attendance.

Messrs. Peaker and McGee, of Campbell, Imrie & Shankland, the Auditors were present and discussed the Balance Sheet and Financial statements with the Board. They explained that the valuation of the fixed assets is based on the method provided by Income Tax Dept. Regulations effective 1st. Jan. 1949 and that the Capital Allowance, or depreciation, had been calculated at 50% of the maximum allowed, with the exception of the Railway Spur which had been calculated at the full allowance.

It was moved by J. S. Dicken and seconded by L. Smith that the Board accept the suggestions of the Auditors regarding the allowance for depreciation to be taken for the year ending 31st. March 1950. CARRIED.

The Auditors also recommended that the amount of \$932.94, set up in 1947 against possible Income Tax demands, be absorbed into this year's accounts and on motion of D. Salting, seconded by S. McPhee, this was agreed to.

The minutes of the Directors' Meeting held 6th. March were read and adopted on motion of L. Smith seconded by D. Salting.

Arising out of the minutes the Manager reported that the redemption of the two out-standing issues of shares had been completed and that no difficulty had been experienced in obtaining one hundred per cent co-operation in the purchase of an equivalent amount of Certificates of Indebtedness by the holders of these issues.

Accounts totalling \$4131.18 were inspected and passed for payment on motion of S. McPhee seconded by J. S. Dicken.

The Payroll for period 27th. February to 8th. April was inspected and approved.

The Manager reported that B.C. Tree Fruits had been communicated ~~withxxxxxx~~ with requesting that they consider absorbing into the main pool the extraordinary expense of hauling apples to Penticton for loading during the freeze-up of the lake but that they had replied that there did not appear to be any sound grounds for absorbing this cost in the general pool. They looked on this situation similarly to a hail storm - it is an act of nature and something for which the pool cannot be held responsible.

L. Smith moved and D. Salting seconded that the extraordinary expense of hauling apples to Penticton for loading be made a pool charge against all apples. CARRIED.

It was moved by D. Salting and seconded by D. Salting that the interest, due 1st. April 1950, on the Certificates of Indebtedness out-standing, be paid. CARRIED.

J. S. Dicken moved and S. McPhee seconded that the redemption of the following certificates without production of the original certificates be approved, after the usual bond had been completed;

Cert. No.	2216	for	295	shares.	Oliver Chemical Co.
"	1933	for	34	"	)
"	2032	for	109	"	) F. Gwen Hayman.
"	2127	for	137	"	)
"	2059	for	99	"	)
"	2151	for	188	"	) F. Pugh.

CARRIED.

It was agreed that the Annual General Meeting be held either on 5th. or 12th. May, depending on how soon the Annual Report would be ready for issue.

It was moved by L. Smith and seconded by D. Salting that it be recommended to the members at the Annual Meeting that ~~the~~ Rule 20 of the Exchange be amended to permit of the Annual General Meeting being held in May each year instead of April. CARRIED.

S. McPhee moved and J. S. Dicken seconded that the change of contract from F. Luxton to the joint name of F. Luxtong and K. G. Luxton, be approved. CARRIED.



Minutes of Directors' Meeting held 17th. April 1950 (Ctd.)

It was moved by D. Salting and seconded by L. Smith that F. Harman be nominated as the Exchange representative on the Board of the Grand Forks Sawmill Ltd.

CARRIED.

S. McPhee moved and L. Smith seconded that the listing of the Syndica House property be given to the Penticton Agencies.

CARRIED.

L. Smith moved and D. Salting seconded that the rate for Capital Deductions from the 1949 crop be held at seven cents, the same as previous years.

CARRIED.

The meeting thereupon adjourned.

F. Harman

President.

A. W. Grant

Secretary.



Minutes of Directors' Meeting held 8th. May 1950.

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Present; Messrs. F. Harman, L. Smith, D. Salting and S. McPhee with the Secretary in attendance.

The minutes of the Directors' Meeting held 17th. April were read and adopted on motion of S. McPhee seconded by L. Smith.

Accounts totalling \$7036.30 were inspected and passed for payment on motion of L. Smith seconded by D. Salting.

Payroll for period 10th. April to 6th. May was inspected and approved.

It was moved by S. McPhee and seconded by D. Salting that a duplicate be issued for Certificate No. 257 for \$371.00 in the name of W. Hardman, upon the usual bond being completed, the original having been lost.

CARRIED.

The Manager reported that a new wage scale, effective 1st. May, had been concluded with the Union, showing a reduction of 5c. per hour on the base rate of 82c. with corresponding decreases on other rates.

The Manager reported that information had been received from B.C. Tree Fruits as to the final closing prices in the apple pools. They indicated that 65c. per box could be added to the list of base prices issued on 4th. February with the final prices being possibly 10c. per box above this. Account sales were being prepared on the basis of the 65c. additional so that information could be given to the growers as to what money could be expected. Actually we had disbursed to the grower in the excess of the advances received from B.C. Tree Fruits after deducting all charges. It would take approximately \$26000 to cover these account sales and it was discussed whether arrangements should be made to borrow all, or part of this, from the Bank to make an immediate payment but it was decided not to do this.

Two nominations, other than the retiring Director, had been received for Director - A. D. Grant and C. T. Rayner.

It was decided to obtain a quotation from the Penticton Electric on the electrical work ordered to be done by the Workmen's Compensation Board on report of Electrical Inspector Langridge.

The meeting thereupon adjourned.

D. Salting  
President.

A. D. Grant  
Secretary.



Minutes of Annual General Meeting held 12th. May 1950.

The meeting was called to order by the President, F. Harman at 8 p.m. in the Community Hall, Naramata, with thirty seven members present.

The notice convening the meeting was read by the Secretary.

The minutes of the Annual General Meeting held 29th. April 1949 was read and adopted on motion of C. Nettleton seconded by E. May Baker.

The printed Directors' Report, which had been circularized to all members, was read by the President and after several points had been discussed by the meeting, it was moved by P. Workman and seconded by D. Furner that the Directors' Report be accepted.

CARRIED.

Mr. McGie, of Campbell, Imrie & Shankland, our Auditors, was present and read the Auditors' Report and went through the main items in the Financial Statements. and answered enquiries from members on various points. He explained that the form of the statements had been changed around from the previous ones, not because the present form is necessarily better, but more for the sake of standardization. The depreciation rates as recently set by the Income Tax Department were now double what they had been previously but the Capital Allowance in the statement had been calculated at fifty per cent of the maximum, with the exception of the Railway Spur which had been calculated at the full allowable rate. Capital Allowances in the future would have to be based on the depreciated values. Mr. McGie gave a very interesting explanation as to the position the Income Tax Department was taking towards co-operatives and considered that the manner in which our statements had been drawn up would show a position which would not be taxable.

It was moved by W. Steel and seconded by R. Elver that the Auditors' Report be adopted.

CARRIED.

D. Salting, Director on the Board of Grand Forks Sawmill, gave some details from the Financial Statement of the Mill for the year ending 31st. January 1950. After all charges had been deducted, including depreciation and write off for roads a net income of around \$8800 had been shown. The total assets amounted to \$259,000 and against this, Debentures amounting to \$152,000 had been issued.

W. June moved and H. Feldt seconded that the report on the Grand Forks Sawmill be adopted.

CARRIED.

It was moved by J. A. Garnes and seconded by D. Salting that Rule 20 of the Rules of the Naramata Co-Operative Growers' Exchange be amended by deleting the word "April" and substituting the word "May".

CARRIED.

The Election of two Directors was next proceeded with, with the following nominations;

L. Smith.	Retiring Director.
D. Salting	ditto
A. D. Grant.	Nominated by J. Garnes, seconded by T. Dickout.
C. T. Rayner.	Nominated by T. Dickout, seconded by C. Nettleton.

Upon a ballot being taken, with E. Sammet and W. Steel, as scrutineers, the President reported that D. Salting and C. T. Rayner had been elected.

L. Smith moved and L.E. Williams seconded that Messrs. Campbell, Imrie & Shankland be appointed Auditors for the ensuing year.

CARRIED.

It was moved by D. Salting and seconded by C. T. Rayner that the President of the Board be nominated each year as the Director on the Board of Associated Growers Ltd.

CARRIED.

L. Francis moved and C. Nettleton seconded that the President's and Directors' Fees be the same as in the previous year.

CARRIED.

The meeting thereupon adjourned.

*D. Salting*  
President.



Minutes of Directors' Meeting held 25th. May 1950.

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Present; Messrs. F. Harman, D. Salting, S. McPhee, J.S. Dicken and C. T. Rayner, with the Secretary in attendance.

F. Harman, indicated that, for reasons of health, he did not wish to be considered for the office of President.

F. Harman moved and S. McPhee seconded that J. S. Dicken be appointed President, but the appointee stated that he would have to decline as he had so many other commitments that he could not give the necessary time.

J. S. Dicken moved and S. McPhee seconded that D. Salting be appointed President.

CARRIED.

It was moved by D. Salting and seconded by S. McPhee that J. S. Dicken be appointed Vice-President.

CARRIED.

J. S. Dicken moved and S. McPhee seconded that a vote of thanks be tendered to F. Harman for the many years of faithful service he had given the Exchange as President and this was concurred in by all the Board.

It was moved by J. S. Dicken and seconded by F. Harman that the recommendation made by the Members at the recent Annual Meeting to the effect that the President should be the nominee to the Board of the Association Growers Ltd., be endorsed.

CARRIED.

S. McPhee moved and C. Rayner seconded that the authority for signing cheques, drafts, Bills of Lading and all legal documents and for the transaction of all business with the Bank be vested in the President, Vice-President and Secretary-Treasurer or any two of them.

CARRIED.

It was moved by F. Harman and seconded by J. S. Dicken that a quorum of the Board consist of three members.

CARRIED.

It was decided that the June Board Meeting be held on Friday the 9th. as J. S. Dicken would be away until then.

The question of borrowing from the Bank to make a payment on apples was again discussed but it was decided to delay the payment until the money came down from Tree Fruits.

It was moved by S. McPhee and seconded by C. Rayner that a standing credit of One hundred and fifty thousand dollars, for the purpose of financing the packing and storing of the 1950 crop, be applied for from the Bank of Montreal, Penticton.

CARRIED.

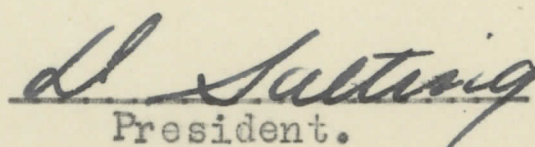
As the quotation from Penticton Electric was lower than the one received from Cooper & Gibbard, for the changes ordered by Wprkman's Compensation Board, it was moved by J. S. Dicken and seconded by S. McPhee that the former firm be given the contract.

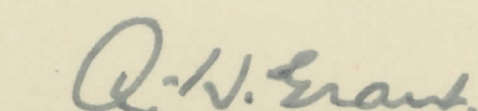
CARRIED.

The question of the Exchange financing the growers for the hail insurance premiums was discussed and it was moved by F. Harman and seconded by S. McPhee that the Exchange do this if same is agreed to by the Bank.

CARRIED.

The meeting thereupon adjourned.

  
President.

  
Secretary.



Minutes of Directors' Meeting held 9th. June 1950.

Present; Messrs. D. Salting, J. S. Dicken and C. Rayner, with the Secretary in attendance.

The minutes of the meetings held 8th. and 25th. May were read and adopted on motion of C. Rayner, seconded by J. S. Dicken.

Accounts totalling \$12886.35 were inspected and passed for payment on motion of J. S. Dicken seconded by C. Rayner.

Payroll for period 8th. May to 3rd. June was inspected and approved.

It was moved by J. S. Dicken and seconded by C. Rayner that the transfer of the following certificates be approved;

Cert. No. 299 for \$144 from Roy Partridge to M. E. Partridge.

" No. 432 for \$249 ditto do

" No. 209 for \$201 from P. B. Wiseman to D. Salting.

" No. 251 for \$251 ditto do

" No. 440 for \$321 from G. W. Raitt to D. Salting.

" No. 389 for \$176 from E. Grossman to D. Salting.

" No. 395 for \$205 from A. L. Hook to E. Sammet.

\$1000 out of Cert. No. 459 for \$1226 from J.V.H. Wilson to B.T. Haverfield.

CARRIED.

The Manager reported that final account sales on the 1949 apples had been received from B.C. Tree Fruits Ltd. These showed that there was slightly over \$36000 still to come but B.C. Tree Fruits indicated that they would be unable to clean up these balances until receipt of the Government subsidy. Growers account sales were all ready for issue and it was moved by C. Rayner and seconded by J. S. Dicken that the amount necessary to pay off the apple pools be borrowed from the Bank after checking with B.C. Tree Fruits as to the advisability of doing this.

CARRIED.

The possibility of obtaining used apple boxes back from the various markets was discussed and it was suggested that J. Cooper, who was carrying on a trucking business in Vancouver, might be interested in acting as agent for the collection of same in that Town. The Manager undertook to explore this matter further.

The meeting thereupon adjourned.

D. Salting  
President.

A. H. Evans  
Secretary.



Minutes of Directors' Meeting held 6th. July 1950.

Present; Messrs. D. Salting, J. S. Dicken, S. McPhee, F. Harman and C. Rayner with the Secretary in attendance.

The minutes of the meeting held 6th. June were read and adopted on motion of F. Harman seconded by S. McPhee.

Accounts totalling \$7970.01 were inspected and passed for payment on motion of S. McPhee seconded by J. S. Dicken.

The Payroll for period 5th. June to 1st. July was inspected and approved.

It was moved by F. Harman and seconded by C. Rayner that the following transfers of Certificates be approved;

Cert. No.	165	for	\$286	from	Ian McKay	to	F. R. Cross.
"	287	for	\$323	do		do	
"	419	for	\$190	do		do	
"	449	for	\$233	from	S. A. Staniforth	to	F. R. Cross.
"	433	for	\$226	from	Bert Partridge	to	F. R. Cross.
"	448	for	\$220	from	A. G. Staniforth	to	Nellie Cross.
"	78T	for	\$247	from	R. W. Craig	to	Nellie Cross.
"	9	for	\$375	from	do	do	
"	113	for	\$248	from	do	do	
"	238	for	\$256	from	do	do	
"	371	for	\$234	from	do	do	
"	29	for	\$234	from	Maria Hill Est.	to	Helen Hill.
"	258	for	\$206	from	do	do	
"	393	for	\$116	from	do	do	
"	66	for	\$409	from	Harry Partridge	to	E. M. Languedoc.
"	426	for	\$167	from	W. Orr	to	D. Salting.
"	379	for	\$ 42	from	Danderfer & Drought	to	G. Drought.
"	453	for	\$307	from	C. Stein	to	T. H. Rayner.
"	425	for	\$286	from	C. M. Nettleton	to	H. P. Salting.

CARRIED.

S. McPhee moved and J. S. Dicken seconded that the application for membership in the Exchange, received from Plato & Helen Hill, on taking over the Hill Est. Orchard, be accepted.

CARRIED.

It was moved by S. McPhee and seconded by C. Rayner that the replacement of ties on our spur as recommended by the C.N. Railway, estimated to cost \$249.80, be preceeded with.

CARRIED.

The meeting thereupon adjourned.

D. Salting  
President.

Q. H. Grant  
Secretary.



Minutes of Directors' Meeting held 7th. August 1950.

Present; Messrs. D. Salting, F. Harman, S. McPhee and C. Rayner, with the Secretary in attendance.

Mr. Crofford, of the Co-Operative Life Insurance Co. explained the Group Insurance Plan for members of Producer Co-Operatives, which his Company was establishing in various districts of the Okanagan. The plan features low cost group insurance for members of co-operatives and includes wives of members. No medical examination required if member joins at time plan is started or within six months after becoming eligible. To start a group it is necessary for 75% of the eligible members to join. He gave details of the amount of insurance provided accordance to the various age groups based on a premium of \$10 yearly but explained that the premium could be increased to \$20 or other multiple of 10. At the end of each year any surplus over operating costs and reserves would be credited to the members. The Co-Operative would hold the master policy and each insured member would be issued with an Insurance Certificate. Mr. Crofford suggested that the Board should recommend to the members that the Exchange enter as a group and then the Company would canvas the individual members.

After Mr. Crofford had withdrawn comparison was made with the rates quoted by other insurance companies on an individual basis for similar term insurance and it was found that the co-operative company rates only became favorable in the higher age groups and that members up to fifty years of age could obtain cheaper coverage through ordinary companies.

F. Harman moved and C. Rayner seconded that the Board cannot endorse the Co-Operative Life Insurance Co. plan for Group Insurance and a report to this effect be give the members at the next Quarterly Meeting.

CARRIED.

The minutes of the meeting held 6th. July were read and adopted on motion of F. Harman seconded by C. Rayner.

Accounts totalling \$11559.58 were inspected and passed for payment on motion of S. McPhee seconded by C. Rayner.

Payroll for period 3rd. July to 29th. July was inspected and approved.

It was moved by S. McPhee and seconded by F. Harman that the transfer of the following certificates be approved;

Cert. No. 91 T for \$526. ) from J. B. Feeney to C. W. Nicholl  
" 359 for \$542. )

CARRIED.

The Manager reported that the Storm Contracting Co. had applied to rent the Syndica House for about fourteen days while their crew were working in the district, and it was moved by S. McPhee and seconded by F. Harman, that a rent of Twenty dollars per day be asked.

CARRIED.

The Manager reported that Income Tax Assessments had been received for 1947 and 1498, amounting to \$1361.52, being based on the interest paid on our share capital in those years. As there was to be a meeting of Associated Growers Locals on 21st. August at which the question of Income Tax was to be discussed, it was agreed that this matter should be left in abeyance until after that meeting.

It was agreed that the Quarterly General Meeting be held on Friday 25th. August.

The Manager reported that Grand Forks Sawmill were falling behind in their deliveries of Apple Shook. We had just recently obtained a car load, the first since 20th. June. We still required ends and sides for Seventy thousand boxes and should receive a car load per week if we are to obtain our requirements by 15th. October. The situation has been placed before the Board and Manager of the G.F. Sawmills and they are of the opinion that the shook will be provided in time.

The meeting thereupon adjourned.

*D. Salting*  
President.

*C. W. Nicholl*  
Secretary



The meeting was called to order by the President, D. Salting, at 8 p.m. with fifteen members present.

Before the regular business of the meeting was started, the President reported that Mr. Holtby, of the Co-Operative Life Insurance Co. was present to furnish details of a Group Insurance Plan for members of Producer Co-Operatives and called on this gentleman to explain the plan.

Mr. Holtby stated that the plan featured low cost group insurance for members of Co-Operatives and included wives of members. No medical examination is required if members at the time plan is started or within six months after becoming eligible. To start a group it is necessary for seventy five per cent of the eligible members to join. He gave details of the amount of insurance provided according to the various age groups based on a premium of \$10 yearly but explained that the premium could be increased to \$20 or other multiple of 10. At the end of each year any surplus over operating costs and reserves would be credited to the members. The Exchange would hold the master policy and each insured member would be issued with an insurance certificate. If the meeting approved of forming a group the Company would send an agent round all the members to get the applications, and Mr. Holtby introduced Mr. Bleasdale who was the appointed agent for this district.

Mr. Holtby answered many questions brought forward by members out of which it was agreed that in comparison with rates quoted by other companies on an individual basis for similar term insurance the co-operative rates only became favorable in the higher age groups and that possibly members up to fifty years of age could obtain cheaper coverage through ordinary companies.

The President explained that as there was not a quorum present the meeting could not take any definite action but asked for an expression of opinion from the members present as to whether they considered Mr. Bleasdale should canvas the membership to see if a group could be formed. However as there did not seem to be sufficient support for the scheme it was decided that nothing further should be done.

The notice convening the meeting was read by the Secretary.

The minutes of the Quarterly Meeting held 24th. February were read and adopted on motion of C. Stein seconded by C. Nettleton.

Arising out of the minutes in connection with the negotiations carried on with the Income Tax Department, it was reported that assessments had now been received for the years 1947 and 1948, based on the interest paid on our shares in those years, amounting to \$1361.52. Our Auditors were being consulted in this matter and it was moved by W. Newman and seconded by J. S. Dicken that steps be taken to resist these income tax assessments.

CARRIED.

The President in his report gave details of the crop handled to date. The past severe winter had had the effect of reducing the soft fruit crop materially. 341000 pounds of cherries had been received on an estimate of 252000 pounds, the crop being down about thirty percent from the 1949 crop. The bulk of the Bing and Lambert crop had moved out at the opening price of \$5.50 for the 20# lug with the canneries paying 18c. per pound for cannery stock. The cherry crop was of very good size and quality, the culls amounted to less than two per cent and we had no claims on our shipments. Apricots were exceedingly light with receipts totalling 98000 pounds being only 11% of last seasons total. Peaches are now being run with the estimate on these being 150000 pounds, only 12% of last years tonnage. The second apple estimate has now been received from most of the growers and this indicates that the crop will total 180000 packed boxes, compared with 151000 last year. Our Mill at Grand Forks has been running behind on delivery of apple shock. If we are to have sufficient shock to harvest the apple crop it will be necessary to have shock at the rate of ten thousand per week. So far the mill has not been producing at a rate to do this but we understand that production is to be stepped up and that sufficient shock will be supplied in time.

It was moved by E. Baker and seconded by A. Pedersen that the President's Report be adopted.

CARRIED.

The meeting thereupon adjourned on motion of C. Nettleton.

President.

*D. Salting*



Minutes of Directors' Meeting 7th. September 1950.

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Present; Messrs. D. Salting, S. McPhee, J. S. Dicken and C. T. Rayner, with the Secretary in attendance.

The minutes of the meeting held 7th. August were read and adopted on motion of S. McPhee seconded by C. Rayner.

Arising out of the minutes, the Manager reported in connection with the Income Tax Assessment, that our Auditors had been consulted and they recommended that an appeal be sent in. They had advised that Mr. Phillmore, a Kelowna lawyer, had been retained by the Southern Co-Operative, to make an appeal against their assessment and recommended that we also retain this lawyer. After consulting with the President our Auditors had been instructed to go ahead with an appeal. It was moved by J. S. Dicken and seconded by S. McPhee that this action be endorsed.

CARRIED.

Accounts totalling \$14491.42 were inspected and passed for payment on motion of J. S. Dicken seconded by C. Rayner.

The Payroll for period 31st. July to 26th. August was inspected and approved.

It was moved by S. McPhee and seconded by C. Rayner that the transfer of the undermentioned certificates be approved;

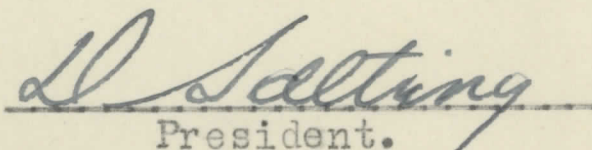
Cert. No. 139	for	\$177.00	)	
" No. 263	for	178.00	)	from Mrs. Hayman to Dr. W. L. Robinson
" No. 397	for	236.00	)	

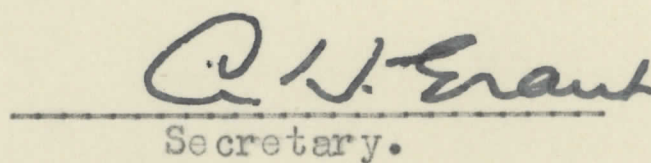
CARRIED.

The Manager reported that it was becoming apparent that the apple crop had been underestimated and might be of a size that could not be adequately housed and that it might be necessary to utilize outside cold storages. It was moved by J. S. Dicken and seconded by S. McPhee that necessary outside storage be procured if the size of the apple indicated that this would be required.

CARRIED.

The meeting thereupon adjourned.

  
President.

  
Secretary.



Minutes of Directors' Meeting held 6th. October 1950.

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Present; Messrs. D. Salting, J. S. Dicken, S. McPhee and C. T. Rayner with the Secretary in attendance.

The minutes of the meeting held 7th. September were read and adopted on motion of C. Rayner seconded by S. McPhee.

Arising out of the minutes the Manager reported that application had been made for storage space at the Pyramid Co-Operative, Penticton, for the excess apple crop, and as an added precaution the Vernon Fruit Union had also been asked to reserve space for us.

Account totalling \$18516.90 were inspected and passed for payment on motion of J. S. Dicken seconded by C. T. Rayner.

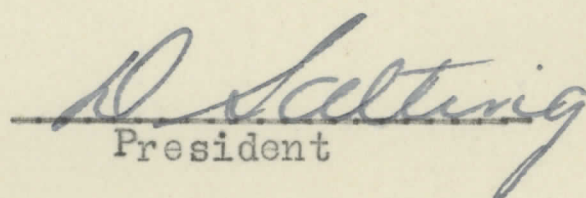
Payroll for period 28th. Aug. to 23rd. September was inspected and approved.

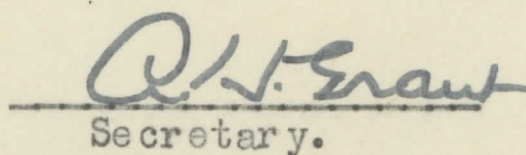
It was moved by C. Rayner and seconded by J. S. Dicken that the application of L. Schnurr for membership in the Exchange on taking over the Drought-Danderfer Orchard be approved.

CARRIED.

The Manager reported that receipts of McIntosh to date indicated that this variety would probably run twenty five per cent over the estimates and it was reasonable to assume that all other varieties would run heavily over. Our shook position is that we have four car loads still to come on our orders and on receipt of these, which is not expected until the end of the month, we should have sufficient boxes to handle an over-run of about twenty-five thousand over the original estimate. The Southern shook committee has this shortage of shook in hand and endeavours are being made to obtain shook from sources other than Grand Forks, though most Valley Mills do not seem much interested. As regards space for housing the crop, it will be necessary to ship a quantity out for storage but at the moment the amount cannot be accurately forecast as much depends on the movement we obtain in the next three weeks. B.C. Tree Fruits indicate that they are making arrangements to move all the Jonathan as packed and this will give us much relief. In an endeavour to keep ahead of the crop it is proposed to work on two Sundays this month and also an extra two hours on three evenings of each week.

The meeting thereupon adjourned.

  
President

  
Secretary.



Minutes of Directors' Meeting held 18th. October 1950.

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Present; Messrs. D. Salting, J. S. Dicken, S. McPhee and C. Hayner with the Secretary in attendance.

The meeting was called for the purpose of discussing the shortage of picking boxes due to the large over-run on the previous estimates. The Manager ~~has~~ reported that from the amended estimate received from growers last week-end it appeared that the crop would run from fifty five thousand to sixty thousand over the previous estimate. Taking into account the probable deliveries of shock by the end of the month it would seem that there would probably be a shortage of approximately forty thousand boxes if the crop was to be picked by the end of October. This would indicate that if growers were to continue picking normally a portion of the crop would have to be binned. The Rome Beauty crop was estimated to amount to about thirty thousand boxes and it was suggested that growers should be asked to bin all the Romes, leaving the available boxes for the better varieties. It was pointed out that quite a few growers had already received boxes in excess of their estimate whereas there were others who had not received boxes up to their original estimate. After much discussion it was not considered advisable to ask growers to bin Romes who had not received boxes up to their estimate and it was decided that all growers should be brought up to their original estimate in boxes and then pro-rate the surplus boxes, as available, to the members in proportion to their over-run.

The meeting thereupon adjourned.

D. Salting  
President.

A. J. Grant  
Secretary.



Present; Messrs. D. Salting, J. S. Dicken, S. McPhee and C. T. Rayner with the Secretary in attendance.

The minutes of the meetings held 6th. and 18th. October were read and adopted on motion of S. McPhee seconded by C. T. Rayner.

Arising out of the minutes the Manager reported that neither the Pyramid Co-Operative nor the Vernon Fruit Union had been able to let us have any cold storage space for our surplus. The former had eventually decided that they would require all their space for their own crop and latter could not take any yet but would eventually have space to spare. As it was essential to move the Delicious out as packed arrangements had been made through B.C. Tree Fruits Ltd. for the necessary storage space in Winnipeg.

Accounts totalling \$19438.52 were inspected and passed for payment on motion of J. S. Dicken seconded by C. T. Rayner.

The Payroll for period 25th. September to 21st. October was inspected and approved.

Letter was read from Inspector of Factories pointing out the necessity of installing a cold air return system to the heating installation for the grader room and suggesting that we also install an automatic coal stoker. After discussing the advantages of oil versus coal it was moved by C. Rayner and seconded by S. McPhee that the President and Manager form a committee to go into the matter of improving the heating system with power to act up to a cost of One thousand dollars.

CARRIED.

It was decided that the Quarterly General Meeting be held Friday 1st. December 1950.

Letter was read from Malcolm Smith asking that the Exchange assist in the financing of the purchase of the L. Hardman hauling business. It was felt that this was not business the Exchange should get into but was more a matter for a Bank and it was moved by J. S. Dicken and seconded by C. Rayner that Malcolm Smith be advised that the Exchange could not see its way clear to finance a deal of this nature.

CARRIED.

It was moved by C. Rayner and seconded S. McPhee that F. Harman be granted leave of absence due to ill-health.

CARRIED.

The President reported that he had recently attended a meeting of the Directors of the Grand Forks Sawmill. C. Hanson the Manager had resigned and R. Warr had taken over the position temporarily until a permanent man could be obtained. T Punnit, who formerly was with the Penticton Sawmills had been put in charge of the woods department. Mr. Warr had reported that there was a lack of logs mainly due to poor hauling conditions on the roads and was endeavouring to get logs by rail to supplement our own supply. There was a quarter of a million feet of lumber on hand but practically no logs. No stock of lumber was available from outside sources but it was expected that by the end of the Fiscal Year in January the stock in the yard would be built up to one million feet.

S. McPhee moved and J. S. Dicken seconded that D. Salting be empowered to attend Directors Meetings of the Grand Forks Sawmill Ltd. during the absence of F. Harman.

CARRIED.

The meeting thereupon adjourned.

*D. Salting*  
President.

*Q. H. Grant*  
Secretary.



Minutes of Quarterly General Meeting held 30th. November 1950.

The Meeting was called to order in the Community Hall by the President at 8 p.m. with fourteen members present.

The notice convening the meeting was read by the Secretary.

The minutes of the Quarterly Meeting held 25th. August were read and adopted on motion of C. Stein, seconded by J. A. Garnes.

The President in his report gave the members details of the crop handled and being handled. Peach receipts had gone one hundred per cent over the estimates but still were only 26% of the 1949 crop. Pears had gone over the estimate slightly and totalled ninety per cent of the 1949 crop. Account Sales on Peaches, Plums and Prunes were being worked on and would be issued in the next few days. Prices on all varieties would show very satisfactory return.

The 1950 apple crop had been a record one with approximately 330,000 loose boxes being harvested. This was 100,000 more than in 1949 and sixty thousand over the estimate. As reported at our last meeting we were never in a very good position as regards apple shock even for the estimated crop and when the sixty thousand additional showed up the position became serious. All districts in the Southern area of the Valley were in the same position on boxes and concerted action was taken, under the direction of Okanagan Federated Shippers, to quota the available supply and plans were made to get all mills working and to get made-up boxes from the Packing Houses, Kelowna North, as soon as they became surplus there. At this stage we required about 45,000 additional boxes and as it did not seem possible that this quantity could be obtained quickly enough to enable growers to keep picking into boxes, members were advised that it might be necessary for those who were running heavily over their estimates to make arrangements to pit a proportion of their apples. The extra boxes required however came along quicker than was first anticipated and eventually only about six thousand boxes had to be pitted. So far we have packed 172,000 packed boxes. Of these we have shipped 98,000, out of which 17,000 have been shipped packed to out-side cold storages. Our packed stock on hand amounts to 75,000 boxes and we have approximately 70,000 loose still to pack. All the Cox Orange, Winter Banana, Grimes Golden, Spy and Late sundries are being shipped loose to the juicing plants.

The additional shock and boxes we obtained from sources other than our Mill at Grand Forks amounted to about 58000 boxes at an additional cost of \$5000. The Board is of the opinion that consideration should be given to the question of the advisability of instituting a plan similar to that operated elsewhere, providing for a penalty for either over or under estimating.

Appeal has been entered by our Auditors against the assessment made by the Income Tax Department against us but it will probably be some time before we hear anything.

E. Sammet moved and W. Steel seconded that the President's Report be accepted.

CARRIED.

D. Salting gave a short report on the operations of the Grand Forks Sawmill mentioning that C. Hanson, the former Manager, had resigned and that R. Warr, formerly of the Penticton Sawmills Ltd. had taken over the duties of Manager temporarily. T. Punnet also formerly with the Penticton Sawmills had been put in charge of the woods operations. Mr. Warr was endeavouring to obtain additional timber limits as it did not seem possible to get sufficient logs, due to delays in hauling &c., from our present limits.

The meeting thereupon adjourned.

D. Salting  
President.

Secretary,



Minutes of Directors' Meeting held 6th. December 1950.

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Present; Messrs. D. Salting, J. S. Dicken, S. McPhee and C. T. Rayner with the Secretary in attendance.

The minutes of the meeting held 6th. November were read and adopted on motion of C. Rayner seconded by J. S. Dicken.

Arising out of the minutes, the Manager reported that the Penticton Engineering Works was the only firm to submit an estimate for the suggested changes to the heating arrangements for the packing room and offices &c. This firm suggested an oil burning unit for the packing room complete with blower, tank and furnace at a cost of \$1955, less ten percent, with a separate oil burning unit for the offices and rest rooms at a cost of \$800, less 10%. Ducts for the grader room heating would be additional. An allowance of \$150 would be made for the old furnace. It was moved by S. McPhee and seconded by C. Rayner that this matter be discussed again at the next meeting. CARRIED.

Accounts totalling \$26543.71 were inspected and passed for payment on motion of C. Rayner seconded by J. S. Dicken.

Payroll for period 23rd. October to 2nd. December was inspected and approved.

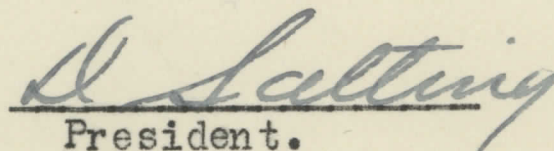
The question of the extra cost of the additional shook and boxes obtained to handle the apples received over and above the estimate was given lengthy discussion. The additional cost has been considerable but the exact amount would not be known until the Southern Shook Pool had been equalized - we had obtained 54800 boxes from sources other than Grand Forks Sawmill and the extra cost was approximately \$5000. C. Rayner was of the opinion that as the Exchange had never previously had a scheme for charging for over and under estimating it was not reasonable to suggest that one be instituted retroactively to cover the particular circumstances of the 1950 crop.

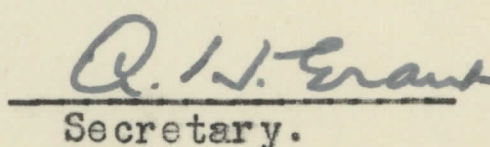
After much discussion it was moved by J. S. Dicken and seconded by C. Rayner that the Board was in favor, in principle, of charging the extra cost of any additional shook against the overage on the apple crop which had caused the necessity for the extra shook. CARRIED.

It was also moved by C. Rayner and seconded by S. McPhee that the Board go on record as recommending that a plan be instituted, similar to that operated by the Penticton Co-Operative Growers, providing for a penalty for over and under estimating and that this be submitted to the members at the next Quarterly Meeting to ascertain, providing the members are in favor of this recommendation, whether same should be applied to the 1950 season. CARRIED.

The President brought up the question of setting up a stock pile of apple shook to avoid, in the future, getting into the situation we experienced this season. This stock pile would have to be held either by the Mill or the Packing Houses and in neither case was this very feasible. The question of cost also arose as it would be expensive carrying this stock pile from year to year. After exploring the possibilities of this suggestion the matter was left for further discussion at a later date.

The meeting thereupon adjourned.

  
President.

  
Secretary.